



Withholding Tax Electronic Funds Transfer

ACH Credit Method

Utah State Tax Commission

Electronic Funds Transfer Unit

210 North 1950 West
Salt Lake City, Utah 84134-3777
Phone: (801) 297-7626
Fax: (801) 297-7698
www.tax.utah.gov



If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811, or TDD (801) 297-2020. Please allow three working days for a response.

General Information

Electronic Funds Transfer (EFT) is a method of electronically transmitting tax return information and payments to the Tax Commission in lieu of paper-based documents. EFT is quick, convenient and less costly than manual check processing.

Electronic transmission of these documents is considered legal and enforceable.

This publication explains how to remit withholding tax payments using the ACH Credit method.

NOTE: This method is **NOT** processed on the Internet through PaymentExpress. If you use PaymentExpress, do not use EFT.

Do not submit paper withholding tax return coupons when withholding tax payments are remitted electronically. The only time a paper return should be submitted is when there is a problem and the tax payment cannot be remitted electronically.

An amended return (TC-96A) may not be filed electronically. Once the original EFT has been completed for a period, all other adjustments to that period must be made using paper coupons.

EFT may not be used to file the TC-96R, *Utah Annual Withholding Reconciliation*, or the TC-96RC, *Utah Annual Withholding Corrected Reconciliation*.

Annual reconciliation reporting is available electronically through the Tax Commission website. Specifications and procedures are contained in Pub. 32, *Annual Reporting of Forms W-2, W-2c, 1099-R and TC-675R*. Magnetic media reporting is also available for 1099-R and TC-675R only.

Pre-authorization

Electronic transmission of Utah withholding information and payments is voluntary. However, you must apply to the Utah State Tax Commission in advance of participating in electronic remittance of state withholding tax. To request approval, complete and submit form TC-86, *Application to Remit Utah State Withholding Tax Payments*, included in this publication. A letter will be sent back to you to confirm acceptance into the EFT program.

Rules and Guidelines

All statutes and rules concerning Utah state withholding taxes for reporting periods and payment deadlines remain in effect and are not changed by these electronic funds transfer procedures.

Tax payments remitted electronically must arrive in the Tax Commission withholding bank account no later than the day the tax is due to avoid penalties. The banking industry's Automated Clearing House (ACH) system requires a minimum of one business day to operate, so EFT payments must be initiated at least one working day before the tax due date. The authorized transfer will then be credited to the Tax Commission the next working day. Check with your bank for processing procedures.

Getting Started

The taxpayer must authorize his bank to originate an Automated Clearing House (ACH) with a CCD + Addendum and transfer of the withholding tax amount due by the payment due date. The bank may require a specific **Settlement Date** the money is actually paid to the Tax Commission. The electronically remitted tax payment will be deducted from the taxpayer's account and credited to the Tax Commission's withholding tax account on the **Settlement Date** specified by the taxpayer in the transfer authorization.

Tax payments remitted by EFT must conform to the addendum transfer format and content requirements included in this publication. By correctly following the addendum, the taxpayer's withholding account can be credited properly.

A valid monthly filing or quarterly filing **Tax Period End Date** must be used when coding field 7 of the addendum transfer format and content requirements. This will ensure payments are credited properly. Using the transmission date or the due date in this field will delay processing. Valid Tax Period End Dates are shown later in this publication.

Filing the First EFT

A pre-note (test transmission) is not required. However, if the taxpayer elects to send an EFT pre-note before the first payment is made, a **zero** amount should be sent. Sending an amount other than zero on a pre-note will create errors in the taxpayer's withholding account. The taxpayer should notify the Tax Commission in advance of the pre-note by calling (801) 297-7626 or 1-800-662-4335 ext. 7626.

It is recommended the taxpayer notify the Tax Commission in advance of the first EFT payment also. This will enable the Tax Commission to establish a preliminary payment record and track the EFT in case of a problem. This step is recommended only for the first time an electronic remittance is sent.

Addendum Transfer Format and Content

The EFT must be made payable as follows:

Credit To: **Utah State Tax Commission**
 Bank: **Wells Fargo Bank**
 Routing No: **1240-00012**
 Account No: **51-08007-25**

Addendum Record Format and Content

The transfer must conform to the Tax Payment (TXP) Banking Convention. The addendum record must be completed to include the fields as shown in this publication.

Field	Length	Contents	Description
1	3	TXP	Segment Identifier
2	1	*	Field Separator
3†	6	AANNNN	Withholding account number (e.g. W12345 or WA1234)
4	1	*	Field Separator
5	4	0110	Tax Type Code
6	1	*	Field Separator
7†	6	YYMMDD	Tax period end date (e.g. March 31, 2008 = 080331)
8	1	*	Field Separator
9	1	T	Amount Type Code
10	1	*	Field Separator
11†	2-10	\$\$\$\$\$¢	Tax payment amount. Dollars and cents only. No decimals, commas, or leading zeros. Do not zero fill.
12	5	*****	Field Separator
13†	6	AAAAAA	Taxpayer ID verification. First six characters of the taxpayer's name. No common words, such as "the."
14	1	\	Segment Terminator

† Variable field provided by the taxpayer

2008 Monthly EFT End Dates

Month	End Date on the Addendum	Due Date
January	080131	Feb. 29, 2008
February	080229	March 31, 2008
March	080331	April 30, 2008
April	080430	June 2, 2008
May	080531	June 30, 2008
June	080630	July 31, 2008
July	080731	Sept. 2, 2008
August	080831	Sept. 30, 2008
September	080930	Oct. 31, 2008
October	081031	Dec. 1, 2008
November	081130	Dec. 31, 2008
December	081231	Feb. 2, 2009

2008 Quarterly EFT End Dates

Quarter	End Date on the Addendum	Due Date
Jan. – March	080331	April 30, 2008
April – June	080630	July 31, 2008
July – Sept.	080930	Oct. 31, 2008
Oct. – Dec.	081231	Feb. 2, 2009



Contact

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Utah State Tax Commission
 210 North 1950 West
 Salt Lake City, UT 84134-3777
 (801) 297-7626
 1-800-662-4335, ext. 7626
 emedia-wt@utah.gov

Forms Hotline:
 (801) 297-6700

Forms Online:
tax.utah.gov/forms



Application to Remit Utah State Withholding Tax Payments Through Electronic Funds Transfer (EFT) ACH Credit

Taxpayers choosing to remit Utah State withholding tax payments using EFT must agree to the terms and conditions set forth below. Complete and sign this application, and submit it to the Tax Commission at the address below.

Company Identification

Company name

Address

City

State

Zip

Utah withholding tax account number

Federal identification number

Contact person within the company

Contact person's title

Telephone number

Fax number

Email address

Company Authorization and Agreement

The above named taxpayer elects to initiate tax payments to the Utah State Tax Commission using electronic funds transfer through the ACH Credit method. Funds will be electronically remitted from the taxpayer's bank account to the Tax Commission's bank account.

The Taxpayer will follow all procedures and will conform to the addendum transfer format and content as specified by the Tax Commission in Pub. 43. All statutes and rules for taxes in the State of Utah shall remain in effect.

The taxpayer may terminate this agreement by sending written notice to the Tax Commission's EFT Unit at least 10 days before taxes are due.

The signature of the taxpayer or authorized agent on this agreement shall be deemed to appear on each return/report transmitted by the taxpayer, as if actually so approving.

Authorized signature	
Title	Date

To Request EFT Authorization...

- Fill out and sign the application form above.
- Mail to the address below or fax to (801) 297-7698

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